

House Bill No. 5536

Public Act No. 09-89

AN ACT CONCERNING INTEREST ON CHARGES FOR SEWER SYSTEM EXPANSION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 7-253 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009*):

The In the case of an acquisition, construction or expansion of a sewerage system financed from the general reserves of the municipality or by bonds or notes issued by the municipality, the water pollution control authority may provide for the payment of any assessment in substantially equal annual installments, not exceeding thirty, and may provide for interest charges applicable to such deferred payments. [The] When the acquisition, construction or expansion of the sewerage system is financed by the issuance of bonds or notes by the municipality, the last installment of any assessment shall be due not later than one year prior to the date of the last maturity of [any] such bonds or notes [issued by the municipality to finance the acquisition or construction of the sewerage system] or portion thereof in respect to which the assessment was levied, except that if such bonds or notes are a general obligation of the municipality, the municipality may levy an assessment the last installment of which may be due up to ten years after the date of the last maturity of such

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bonds or notes provided the total amount of such assessment does not exceed the amount of the principal of such bonds or notes which have been paid prior to the levying of such assessment. [Any such interest] Interest charges may not exceed (1) the maximum rate of interest the municipality is obligated to pay on such bonds or notes, or (2) a reasonable rate of interest when the acquisition, construction or expansion of the sewerage system is financed from the general reserves of the municipality. Any person may pay any installment for which he is liable at any time prior to the due date thereof and no interest on any such installment shall be charged beyond the date of such payment. The water pollution control authority shall cause the town clerk of the town in which the property so assessed, in such equal installments, is located, to record on the land records a certificate, signed by the tax collector or treasurer of the municipality, of such facts in form substantially as follows:

CERTIFICATE OF NOTICE OF INSTALLMENT

PAYMENT OF ASSESSMENT OF BENEFITS

The undersigned Tax Collector (or Treasurer) of the Town of (district of) in the County of, State of Connecticut, hereby certifies from the date hereof an installment payment plan is in effect, for payment of an assessment of benefits for the installation of a sewerage system, in favor of the Town of (district of) upon real property situated in (town or municipality), Connecticut, which real property is more fully described in the (town) Land Records in:

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The notice of such assessment of sewerage benefits herein certified is to (owner of property), the principal of which is \$.... due to said Town of, (district of), together with legal interest, fees and charges thereon, assessed on (date) in the name of (owner of

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property) and the same became due on (date) and may be paid in annual installment payments of \$.... each plus or including interest and continuing to

(indicate which) (date of last installment)

This certificate is filed pursuant to section 7-253 of the general statutes as amended, (or (indicate special act or charter)).

The property assessed is:

Lot Street

Item No.

.... Tax Collector (or Treasurer)

Received 20.. At M.

Recorded in Land Records.

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.... Town Clerk

Such certificate shall operate as notice of the existence of a plan for payment of such assessment by installments and the [town clerk shall cancel or remove the same] tax collector shall prepare a release of certificate and record the same on the land records within seven calendar days after the last installment due has been satisfied, or the total assessment together with all interest, fees and charges has been paid in full.

Approved June 2, 2009